

## **REMARKS**

Claims 1-3, 6, 7, 9-14 have been rejected under 35 USC § 103(a) as being unpatentable over Alaia et al '018 in view of Lewis et al '131. This rejection is respectfully traversed with respect to these claims as amended herein.

The independent claims 1 and 13 have been amended to clarify and variously recite

“permitting each of said competing participants to prescribe a default final offer . . . and if a competing participant’s default final offer represents a competitive offer that would constitute a leading bid;

(1) registering that default final offer as a valid bid . . . and

(2) extending the online auction event . . . to allow other competing participants to submit counterbids, and if no competing participant’s default final offer represents a competitive offer that would constitute a leading bid, then terminating the online auction event.”

These aspects of the claimed invention permit receiving and storing the participant’s live bids and default final offer, and then checking at or near auction close the stored default final offer to determine whether such default final offer constitutes a valid bid that would win the auction. If so, the default final offer is registered as a valid bid *and* the auction is extended beyond scheduled closing to

permit counterbids from other competing participants. If not, (i.e., a live bid constitutes a valid bid), then that valid bid constitutes a leading bid which wins the auction and the online auction event is terminated. Time orientation of bidding activity, or number of bidding rounds are not at issue in the claimed invention, only valid bids are, as derived from live bids or stored default final offers in the manner as claimed by Applicant.

In addition, the dependent claims are further limited by such various recitations as “maintaining confidential a default final offer . . . unless and until that offer is registered as a valid bid” (i.e., wins the auction), or “each supplier is provided with a target bid . . . to dynamically indicate . . . an offer that that particular supplier must currently submit to remain competitive in the auction,” or “participant is permitted to select whether their default final offer is to apply at the end of the auction event and/or in an extension period . . . .”

These aspects of the claimed invention are not disclosed or suggested by the cited references considered either alone or in the combination proposed by the Examiner. The Examiner correctly observes that there is no disclosure in Alaia et al ‘018 of registering a default final offer as a valid bid (i.e., wins the auction) without any further intervention by that competing participant. And, this reference fails to include the aforecited distinct recitations of not only registering the default final offer as a valid bid, but also the *triggering* activity of “extending the online

auction event . . . ” Also, Alaia et al ‘018 is not understood to disclose or even suggest Applicant’s recited limitation of “if no competing participant’s default final offer represents a competitive offer that would constitute a leading bid, then terminating the online auction event.”

Nor does Lewis et al ‘131 contain any disclosure of triggering extension of the online auction upon registering the default final offer as a valid bid. Although this reference discloses submitting participant’s actual and minimum bids, and automatically and continuously submitting participant’s actual bids necessary to win the auction event until the minimum bid for that participant is reached, as the Examiner correctly notes, there is nevertheless no disclosure or suggestion in Lewis et al ‘131 of also triggering extension of the auction event upon registering a default final offer as a valid bid. Nor is there any disclosure in this reference of also terminating the online auction event on the conditions that if no competing participant’s default final offer represents a competitive offer that would constitute a leading bid, then terminating the online auction event. At best, the disclosure of this reference is merely understood to include a “Close Auction” button which allows the administrator to *selectively* close the auction with respect to any lot on the *elective condition* that there has not been any bidding activity within the last 30 minutes. (e.g., Col. 11, lines 49-54). The Examiner will appreciate that a key distinction of our claimed invention over Alaia and/or Lewis is the feature that the

extension period is automatically triggered *if and only if* a bidder's default final offer represents, at the end of the designated auction time period, a winning bid (i.e., over the live bids that have been made). If not, and the winning bid at the end of the designated period is a live bid, then the auction event automatically terminates.

Thus, a combination of the deficient disclosures of Alaia et al '018 and Lewis et al '131 in the manner proposed by the Examiner nevertheless fails to establish even a *prima facie* basis including *all* recited steps and elements from which a proper determination of obviousness may be formed. It is therefore respectfully submitted that amended claims 1-3, 6, 7, 9-14 are now patentably distinguishable over the cited art.

Claims 5 and 8 have been rejected under 35 U.S.C. § 103(a) as being unpatentable over Alaia et al '018 and Lewis et al '131 in view of Segal '1689. This rejection is respectfully traversed with respect to these dependent claims as now amended.

Specifically, claims 5 and 8 are further restricted by such various additional limitations as “maintaining confidential a default final offer entered by a competing participant unless and until that offer is registered as a valid bid” (which registration as a valid bid triggers extension of the auction event, per discussion in the above Remarks applicable to independent claims 1 and 13).

These aspects of the claimed invention are not disclosed or even suggested by the cited references considered either alone or in the combination proposed by the Examiner. The deficiencies in the disclosures of Alaia et al '018 and Lewis et al '131 are discussed in the above Remarks, and Segal is noted to include a highest floor price submitted by a seller in an automated selling system. However, this reference is understood to operate through a *predetermined number of rounds* of bidding, so confidentiality alone of the highest floor price offers no suggestion of Applicant's claimed invention that also requires triggering an *extension* of an auction event upon registering of a default final offer (e.g., highest floor price) as a valid bid. It is therefore respectfully submitted that dependent claims 5 and 8 that variously depend from amended claim 1 are now patentably distinguishable over the cited references.

The undersigned attorney for the Applicant respectfully requests a telephone interview with the Examiner at her convenience in order to resolve any remaining issues that may expedite favorable disposition of this application.

Favorable reconsideration is solicited.

Respectfully submitted,  
Anthony Gert Du Preez

Dated: 12/23/10

By: /Albert C. Smith/  
Albert C. Smith, Reg. No. 20,355  
Attorney of Record  
FENWICK & WEST LLP

801 California Street  
Mountain View, CA 94041  
Phone: (650) 335-7296  
Fax: (650) 938-5200  
Email: [asmith@fenwick.com](mailto:asmith@fenwick.com)